

810-4-1-.07 Motor Bus Passenger Carrier Vehicles. **(NEW RULE)**

(1) The Property Tax Division of the Department of Revenue has established the following procedures to ensure the proper collection of a fee for the issuance of a special common carrier of passengers business operating license in lieu of property tax.

(2) Effective October 1, 2006 any motor bus passenger carrier vehicle owned or otherwise operated by a common carrier of passengers who are both based in and have principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama, 1975, is exempt from the payment of property tax.

(3) Prior to the registration of any motor bus passenger carrier vehicle that is owned or otherwise operated by a common carrier of passengers who are both based in and have principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama, 1975 a special common carrier of passengers business operating license must be obtained.

(4) A motor bus passenger carrier vehicle is defined as a motor bus that is operated as a common carrier of passengers that is regulated by the Public Service Commission and whose owner or operator has acquired a certificate of public convenience and necessity from the Public Service Commission.

(5) The special common carrier of passengers business operating license must be obtained annually and is a prerequisite to registration. No registration should be completed without sufficient evidence that the special common carrier of passengers business operating license has been obtained.

(6) Evidence that must be presented to obtain the license should include the following documentation or other evidence the license issuing official may require to substantiate the relevant facts. The documents and or evidence should include but is not limited to: operating authorization number issued by the Public Service Commission and a signed affidavit certifying the common carrier of passengers is both based in and have principal operating facilities located within Alabama.

(7) The license and affidavit will be designed and provided by the Property Tax Division. Both the license and affidavit will be contained on one form. A license/affidavit shall be issued for a bus each time the Special Motor Bus Passenger Carrier Business Operating License fee is paid. Each license/affidavit should include the date the license was issued and the expiration

date. The expiration date field on the license/affidavit should contain the next renewal month and year.

(8) Once sufficient evidence is obtained from the common carrier, the county official responsible for the collection of ad valorem taxes on motor vehicles shall collect the fee for the license. The fee is based on the age of the bus. The amount of each fee shall be \$620 for motor bus passenger carrier vehicles that are less than 10 years old and \$100 for motor bus passenger carrier vehicles that are 10 years old or older and are registered in the name of the common carrier of passengers that is authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama 1975. The license fee can not be prorated. The fee shall be paid to the county official responsible for the collection of ad valorem taxes on motor vehicles.

(9) The county licensing official shall retain as commission 2.5% of the business operating licensing fee. The commission shall be deposited into the general fund of the county. The remaining revenue shall be distributed as follows: 7.5% to the State General Fund; 56.5% to the Education Trust Fund; 36% to the general fund of the collecting county.

(10) In the event a motor bus passenger carrier vehicle is traded, sold, removed from Alabama, stolen without recovery, totally destroyed or transferred no credit voucher or receipt for credit can be granted.

(11) Zeros should be placed in the ad valorem start date field of ALVIS.

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Authority: Sections 40-2A-7(a)(5), Act 2006-632 and Chapter 3, Title 37,
Code of Alabama 1975

History: